

**MINUTES OF THE
NATURAL RESOURCES, AGRICULTURE, AND ENVIRONMENT INTERIM COMMITTEE**
Wednesday, July 19, 2006 – 9:00 a.m. – Room W125 House Building

Members Present:

Rep. Roger E. Barrus, House Chair
Sen. Beverly Ann Evans
Sen. Michael G. Waddoups
Rep. Jackie Biskupski
Rep. Craig W. Butters
Sen. Gene Davis
Rep. Margaret Dayton
Rep. Carl W. Duckworth
Rep. Bradley T. Johnson
Rep. James R. Gowans
Rep. Kory M. Holdaway
Rep. John G. Mathis
Rep. Ronda Rudd Menlove

Rep. Michael E. Noel
Rep. David Ure
Rep. Richard W. Wheeler
Rep. Mark A. Wheatley

Members Absent:

Sen. Thomas V. Hatch, Senate Chair
Sen. Parley G. Hellewell

Staff Present:

Mr. J Brian Allred, Policy Analyst
Ms. Emily Brown, Associate General Counsel
Ms. Joy L. Miller, Legislative Secretary

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at www.le.utah.gov.

1. Committee Business

Chair Barrus called the meeting to order at 9:15 a.m.

MOTION: Sen. Evans moved to approve the minutes of the June 21, 2006 meeting. The motion passed unanimously.

2. Endangered Species

A. Performance Audit - Endangered Species Mitigation Fund

Ms. Janice Coleman, Audit Supervisor, Office of the Legislative Auditor General, distributed "A Performance Audit of the Endangered Species Mitigation Fund." She explained that the Fund (Endangered Species Mitigation Fund) was established in 1998 to provide money for species protection actions for plants and animals identified as sensitive by the state or as threatened or endangered under the federal Endangered Species Act. The audit excluded three federal endangered fish recovery programs — the Upper Colorado River Basin Recovery Program, the Virgin River Resource Management and Recovery Program, and the June Sucker Recovery Program. She noted that over half of the Fund's expenditures are obligated contributions to these three programs. Ms. Coleman outlined the recommendations that have been developed as a result of the audit.

B. Department of Natural Resources' Response to Audit and Report on Funds Expended for Species Protection

Mr. Mike Styler, Executive Director, DNR (Department of Natural Resources), stated that implementation of the audit's recommendations would require an internal reassessment of current guidelines, a prioritization of species' status, a review of the current project selection process, and the minimization of any end of year balances. He concurred in the need to address those shortcomings. The Fund has contributed beneficially to a number of local and statewide efforts to balance protection of

sensitive species with continued economic development and growth. Mr. Styler indicated DNR would reduce the annual Fund balance as recommended in the audit.

Mr. Reed Harris, Recovery Program Director, DNR, indicated that DWR (Division of Wildlife Resources) is the biological arm of DNR. They rely on DWR to know the status of species and how they should be recovered. Approximately 80 percent of the program's contracts are with DWR. He commented that land acquisitions involved with the projects are more in the form of conservation easements rather than property purchases. County and local leaders are contacted and involved in every project.

Committee members discussed some of the negative impacts on farmers and ranchers that have occurred due to these mitigation projects. They also discussed what they felt were the pros and cons of conservation easements. Rep. Menlove stated conservation easements were a proactive response to preserve habitat while continuing agriculture production. Rep. Noel expressed concern that if a conservation easement is sold, there is no guarantee that it will be maintained in agriculture.

Mr. Styler distributed and discussed "Partners and Contributions for Projects Funded Under the Endangered Species Mitigation Fund Work Plan for FY 2005" and "Recovery Programs 2005 Summary Report to Utah Legislature." He outlined the projects that have been associated with the Fund.

Mr. Harris reviewed the three major recovery programs affecting the Colorado, Green, Provo, and Virgin River systems. He noted that protection of endangered species and the environment can go hand in hand. He believed the Fund is doing exactly what the Legislature intended.

3. Other Items / Adjourn

Rep. Biskupski requested that the Committee visit the Snake Valley region to discuss what is happening with water issues in that area.

MOTION: Rep. Holdaway moved to draft a letter to the Legislative Management Committee requesting approval of per diem for the Committee to travel to Snake Valley for a two-day trip to discuss issues of concern in that area. The motion passed unanimously. Sen. Waddoups was absent for the vote.

The Committee scheduled August 28 and 29 for the site visit to Snake Valley.

MOTION: Rep. Dayton moved to adjourn. The motion passed unanimously.

Chair Barrus adjourned the meeting at 10:55 a.m.